able to start their projects on account of long gestation period and the size of capital investment with a prohibitive debt burden; and

(d) if so, the remedial steps taken/proposed to be taken in that regard?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILA CHIMANBHAI PATEL): (a) Yes, Sir.

(b) to (d) The private power policy of Government of India has been widely accepted, both by domestic investors as well as inter-national investors, as is evidenced from the 195 expressions of interest received from private investors. The policy provides, inter-alia, tax holiday in respect of 100 per cent taxable profits in the first five years, and 30 per cent taxable profits in the following five years for power plants commencing commercial operation before March 31, 1998. The customs duty for import of power equipment has been reduced to 20 per cent and this rate has also been extended to machinery required for modernisation and renovation of power plants.

Since power projects are capital intensive and also required several statutory as well as non-statutory clearances, some time is bound to be required before construction work on the projects could start.

Tehri Project

3116. SHRIMATI SUSHMA SWARAJ:

SHRI RAM JETHMALANI:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the construction work of Tehri Project is being carried out by Government continuously;

(b) if so, the total amount spent on the construction work of said project till March 1995;

(c) whether the size and shape of Tehri project has since been finalised by Government; and

(d) if so, what is the estimated amount of the total project expenditure as per the final decision taken regarding construction of the project and by when it is to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILA CHIMANBHAI PATEL): (a) The construction work of Tehri Project is being carried out by Tehri Hydro Development Corporation.

(b) A sum of about Rs. 909 crores (provisional) has been spent on the project till March, 1995.

(c) and (d) The Tehri Dam Hydroelectric Project (4x250MW) Stage I has been approved at a cost of Rs. 2963.66 crores (March, 1993 price level) for being completed by March, 1999.

Penalty for delay in power supply in Maharashtra State Electricity Board by Enron

6117. SHRI SANATAN BISI: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that, as per the agreement, Enron will pay penalties for any delay in supply of power to Maharashtra State Electricity Board; and

(b) if so, the details of such penalties?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILA CHIMANBHAI PATEL): (a) Yes, Sir.

(b) As per the Agreement, Dabhol Power Company is to complete Phase